FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 176 *11 September 1981*

ARGENTINA

Foreign Minister Returns From Rome, Comments B 1
Interior Minister Reaffirms Democratic Goals B 1
Soviet Union Seeks To Reduce Trade Deficit [CLARIN 3 Sep] B 2
Briefs: August Cost of Living; GNP, Unemployment; Petroleum Production B 2

BOLIVIA

Armed Forces Commander Post Will Be Rotational [PRESENCIA 8 Sep] C 1
CONAL Members Submit Collective Resignation [PRESENCIA 8 Sep] C 1
Restrictive Measures Will Remain in Force C 1

BRAZIL

PC do B Refuses Government Offer of Conciliation [O ESTADO SE SAO PAULO 4 Sep] D 1
Joint Naval Maneuvers To Be Held With Argentina D 1
Planning Secretary Returns From Visit to USSR D 1
Daily Reports Trade With Poland, Other Figures [JORNAL DO BRASIL 29 Aug] D 2
Zimbabwe Interested in Purchasing Weapons [O ESTADO DE SAO PAULO 3 Sep] D 2

ECUADOR

Foreign Minister Explains Policy Guidelines G 1

PARAGUAY

President's Office Denies Stroessner Ill H 1
National Accord Chairman Replaced by Romulo Perina [ABC COLOR 10 Sep] H 1
Briefs: Foreign Debt H 1

PANAMA

President Royo, Illueca Meet Press Association N 1
On El Salvador, Canal Treaty [LA ESTRELLA DE PANAMA 10 Sep] N 3
On U.S. Troops, Neutron Bomb [MATUTINO 10 Sep] N 4

CENTRAL AMERICA

BELIZE

Britain Agrees To Give Postindependence Aid P 1

COSTA RICA

Carazo Meets With FMLN-FDR Representatives P 1

EL SALVADOR

Army, Guerrilla Movements, Confrontations P 1
Bombing in San Salvador P 1
Havana Reports Incidents P 2
Rebel Leader on Strategy P 2
[Algiers EL MOUDJAHID 30 Aug]
Archbishop Legal Aid Office Issues Appeal P 3
Communal Union To Join UPD Ranks in Elections P 4
[EL MUNDO 4 Sep]

GUATEMALA

Ministry Requests Meeting of UN Security Council P 4

HONDURAS

FUSEP To Be Replaced by New Organization P 4
Bishops on Corruption, Elections, Refugees P 5
Guatemalan Industrialists-ANDI Trade Talks Fail P 6

NICARAGUA

Ortega Returns From Visit to Libya, Algeria, Cuba P 7
Radio-TV Exchange Agreement Signed With USSR P 7
Cordova Rivas Sees Change in U.S. Approach P 8
Borge Denies Division Within FSLN, Details Plot P 8
Tomas Borge Addresses Journalists Day Meeting P 10
'Prophets of Lies' P 11
Carlos Nunez Refers To New Concept of Elections P 12
CUS Says CDS 'Deviated' From Orginal Goals P 12
[Radio Corporacion]
Conservative's 'Direct Line' Response Criticized P 13
Cordova Rivas Says Agro-Industry Nation's Only Hope P 14
Authorities Deny Cancellation of Airline's Permit P 15

CUBA

Government Charges It Is U.S. Germ Warfare Target Q 1
VERDE OLIVO Criticizes U.S. 'Radio Free Cuba' Q 2

OTHER COUNTRIES

COLOMBIA

Briefs: Ambassador's Resignation V 1

SURINAME

Government Outlines New Social Reform Plans V 1

URUGUAY

CP Leader Arismendi Says Alvarez Not 'A Puppet' V 1

VENEZUELA

Foreign Minister Views Incidents With Colombia V 2
New Justice Minister Chalbaud Assumes Duties V 2

FOREIGN MINISTER RETURNS FROM ROME, COMMENTS

PY102058 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1500 GMT 10 Sep 81

[Excerpts] Buenos Aires, 10 Sep (NA)--Argentine Foreign Minister Oscar Camilion said today that "the main political reason" for his visit to the Vatican was "to meet with the proper officials" and discuss "such a difficult issue" as is the papal mediation on the border conflict with Chile.

Camilion, who arrived today in Argentina after holding meetings in Rome with Pope John Paul II, Cardinal Antonio Samore and other high-ranking Vatican officials, also noted that the meetings held at the Vatican "were quite useful from the point of view of the Argentine Government," adding that they were held "at the proper time."

He said that it was a "privilege" for Argentina that the pope agreed to hold a meeting with him "and the fact that the Beagle mediation was the first issue officially discussed during his recovery period."

Asked whether the pope believes there will be a prompt solution to the border mediation, Camilion answered that "it is not our intention to give exact dates."

Asked about his meeting with Italian Foreign Minister Emilio Colombo, Camilion said "we discussed the present international situation in general terms, and in particular that of Latin America, which is viewed with increasing interest in Europe."

Regarding his meeting with high-ranking Spanish Foreign Ministry officials, he noted that they held a working meeting in which they discussed, among other things, the Gibraltar issue, "which is a relevant issue to us for obvious reasons."

About his successive meetings with U.S. Vice President Bush and Pope John Paul II, Camilion said that "it was a mere coincidence."

He noted: "What I do want to add is that Argentina is steadily achieving progress in its diplomatic relations with all countries of the world and with international officials at both the material and spiritual level."

INTERIOR MINISTER REAFFIRMS DEMOCRATIC GOALS

PY101604 Buenos Aires TELAM in Spanish 1947 GMT 3 Sep 81

[Excerpts] Cordoba, 3 Sep (TELAM)--The Argentine interior minister said here today that the current stage is one of studying and drawing up the new statute of political parties as a basic requirement for the attainment of the great objective: a stable, strong and effective democracy. He also disclosed that no governors will be replaced at the end of the year and that there are 844 persons under arrest at the disposal of the executive branch.

Gen Horacio Tomas Liendo was interviewed during the TV program "The Man on the Street Is Asking" which is carried by channel 8. During this program he answered questions asked by the announcer and panel of political leaders.

The interior minister denied claims that the government is not paying heed to requests and suggestions and pointed out that these requests and suggestions are helping the process to move from one stage to the other.

He indicated that "currently we are studying and drawing up the new statute of political parties as the basic requirement for the attainment of the great objective: a stable strong and effective democracy."

He said that the political plan which the armed forces are proposing to the country is that of the process of national reorganization which draws its strength from the fact that it is based on Argentina's traditional way of life and the principles of the national constitution. Liendo emphasized that "the Argentines cannot forsake democracy."

Asked to clarify this statement, Liendo explained that "the model proposed for Argentina is that of a country which would be a member of the free world and would have a capitalist economy, but this capitalism must be capable of further development."

Referring to a demand made by the Radical Civic Union for elections in 1984, Liendo said: "I do not have a plan for action in 1984. We are moving toward institutionalization and a political timetable which would include 1984 will be prepared in due time."

SOVIET UNION SEEKS TO REDUCE TRADE DEFICIT

PY101825 Buenos Aires CLARIN in Spanish 3 Sep 81 p 14

[Excerpt] The expansion of Soviet exports to Argentina, especially those related to power-generating equipment and industrial capital goods--tools, machinery, vehicles, oil industry equipment, textile machinery, and so forth--was one of the main issues raised in the speech which Vadim Drovdos, USSR commercial attache in Argentina, made during the meeting held yesterday at the Argentine-Soviet Chamber of Commerce.

During this meeting, attended by Argentine bankers and members of the Soviet Foreign Trade Bank, Drovdos recalled that last year the trade between the two countries brought Argentina approximately $1.7 billion while Soviet exports amounted to barely $48 million. He indicated in this regard that the Soviet Union believes it necessary to reduce the gap. He stressed that "a greater balance must be sought, and this could be done through Argentine purchases of equipment of various kinds."

BRIEFS

AUGUST COST OF LIVING--The cost of living index rose by 7.9 percent in August, while wholesale prices went up by 9.2 percent and the construction cost index by 5.1 percent the National Statistic and Census Institute (INDEC) announced on Friday. The cost of living (or consumer price) index went up by 74.9 percent during the first 8 months of the year, as compared to a 113.8 percent rise registered during the same period of 1980, the report said. Price increases were, among others, the following: food and beverages 7.6 percent food and beverages excluding red meats and their by products 9.6 percent clothing 2.8 percents housing, fuel and electricity 10.1 percent home equipment 6.7 percent medical treatment and health care 8.1 percent transportation and communications 8.6 percent and entertainment and education 8 percent. Wholesale prices rose by 100.5 percent during the first 8 months of the year against a 124.9 percent increase registered during the same period of 1980. [Text] [Buenos Aires HERALD in English 6 Sep 81 p 11 PY]

GNP, UNEMPLOYMENT--In the first 6 months of 1981, the Argentine GNP fell 1.6 percent--.5 percent in the first quarter and 2.6 percent in the second quarter. [figures as published]. Unemployment in the greater Buenos Aires area in July was 5 percent, or 190,000 persons, up from 3.9 percent in April. [Buenos Aires LA PRENSA in Spanish 5 Sep 81 p 5 PY]

PETROLEUM PRODUCTION--Buenos Aires, 20 Aug (NA)--National petroleum production in Argentina increased 1.7 percent in the first 7 months of 1981, according to the Ministry of Public Works and Services. At the same time, oil imports decreased by 42.1 percent, thereby reducing expenditures by $115.8 million over 1980. The oil production for those 7 months was 16.7 million cubic meters. Exports of petroleum derivatives rose by 153.2 percent, worth $338 million. Coal production for those 7 months was 341,000 tons, an increase of 30 percent over 1980. Natural gas production fell 1.5 percent in relation to the same period in 1980, to 5,656.7 million cubic meters. [Buenos Aires NOTICIAS ARGENTINAS in Spanish 0143 GMT 21 Aug 81 PY]

ARMED FORCES COMMANDER POST WILL BE ROTATIONAL

PY101942 La Paz PRESENCIA in Spanish 8 Sep pp 1, 12

[Excerpt] The commanders in chief of the armed forces branches will hold the post of armed forces commander on a rotational basis, according to information supplied by Gen Natalio Morales Mosquera. This system will be maintained even though the Junta of Commanders has been dissolved after the army commander in chief, Gen Celso Torrelio, was appointed president of the nation.

General Morales, who has been confirmed as minister of aeronautics, said that the members of the former Junta of Commanders have reassumed their military duties within each branch and will rotate through the post of commander of the armed forces joint command.

General Morales yesterday held a meeting with President Torrelio to discuss matters related to the Aeronautics Ministry.

CONAL MEMBERS SUBMIT COLLECTIVE RESIGNATION

PY101933 La Paz PRESENCIA in Spanish 8 Sep 81 p 9

[Excerpts] The members of the National Legislative Advisory Council headed by their chairman, Gen Juan Lechin Suarez, yesterday submitted their resignations to President Celso Torrelio. Upon leaving Government House after their visit, General Lechin Suarez said that the resignations had been submitted.

General Lechin said that in the present circumstances, when a change of government has just taken place, the right thing to do was to submit a collective resignation in order to allow the president to freely choose the members of his team and his advisers.

RESTRICTIVE MEASURES WILL REMAIN IN FORCE

PY101423 La Paz Radio Illimani Network in Spanish 1130 GMT 10 Sep 81

[Excerpt] General Information Secretary Jaime Humerez Seleme has confirmed statements made by the interior minister by saying that the restrictive measures decreed in the country still remain in force, including the networking of radio newscasts and the recess of labor union activities. Humerez Seleme referred to this subject when answering questions made by the press after the end of Wednesday's Cabinet meeting.

PC DO B REFUSES GOVERNMENT OFFER OF CONCILIATION

PY101319 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Sep 81 p 5

[Excerpt] Leaders of the Communist Party of Brazil [PC do B] have reacted with irony to the resolution approved by the leaders of the Brazilian Communist Party [PCB] to accept President Figueiredo's "outstretched hands." The PC do B split from the PCB. PC do B leader Jose Duarte of Sao Paulo said: "Facts speak for themselves. A declaration isn't worth making for the time being. Everything is quite clear. Let them offer their hands to Figueiredo and may Figueiredo serve them well. This is all I say now."

Duarte laughed at a question related to the resolution by the PCB national board which even proposed the conclusion of a national accord.

In Brasilia, however, Vice President Aureliano Chaves expressed his approval of the PCB recommendations for its membership "to hold" President Figueiredo's outstretched hands. He made this comment: "I did not see it or hear it, but it might be good advice."

PDS [Social Democratic Party] Senator Jarbas Passarinho in turn said that "the Central Committee of the PCB isn't considered to have good judgment for no reason."

Claudio Lembo of the Popular Party made this comment: "The position of the PCB leaders is similar to that of the Italian Communist Party. This position accepts the multiparty system, and democratic coexistence, and is opposed then to to the position of other like-minded sectors which are still holding to the outmoded, backward and reactionary Stalinist position."

JOINT NAVAL MANEUVERS TO BE HELD WITH ARGENTINA

PY072107 Paris AFP in Spanish 2312 GMT 6 Sep 81

[Text] Rio de Janeiro, 6 Sep (AFP)--Argentine and Brazilian naval forces will carry out maneuvers this month in Brazilian territorial waters to develop joint sea training by two countries that have the responsibility of defending the South Atlantic, it was reported here today.

This report was released by Adm Orlando Afonso, deputy chief of the Brazilian Navy staff, who added that frigates, submarines and destroyers from the two countries will participate in these maneuvers.

According to observers, "Operacion Fraternal"--the name given to these manuevers--reveal the good level of relations between Brazil and Argentina.

The planning of "Operacion Fraternal" had been prepared in Buenos Aires by high-ranking Brazilian and Argentine naval officers, and (?admirals) from the two countries will command the maneuvers.

PLANNING SECRETARY RETURNS FROM VISIT TO USSR

PY110244 Brasilia Domestic Service in Portuguese 2200 GMT 10 Sep 81

[Text] At the end of his 3-day visit to the USSR, Flavio Pecora, secretary general of the Planning Ministry, stated that the results of the agreements aimed at increasing Brazilian-USSR trade relations were very positive.

Pecora said that we have taken another important step in the negotiations which were initiated in July by Minister Delfim Neto and that we will be able to appreciate the result soon.

According to Pecora, the Soviet authorities are interested in purchasing 4,000 tons of coffee this year. He said that he would take the necessary steps for negotiations in this regard to start immediately.

DAILY REPORTS TRADE WITH POLAND, OTHER FIGURES

PY101438 Rio de Janeiro JORNAL DO BRASIL in Portuguese 29 Aug 81 p 14

[Text] Brazilian sales to Poland continue growing, totaling $245 million in the first half of this year against $235 million during the same period of last year. These sales are partially responsible for the reduction of the deficit in the trade balance which from January to June showed exports of $10,854 million and imports of $11,170 million, with a deficit of $316 million.

According to CACEX--Foreign Trade Department of the Bank of Brazil--our third-highest trade surplus is with Poland. The surplus is about $215 million, which is below the $510-million surplus with the Netherlands and the $459 million with the Soviet Union. Saudi Arabia, with the war between Iraq and Iran, has become Brazil's largest supplier, with sales of $2.69 billion to our country. Kuwait and Venezuela, with which Brazil has negative trade balances of $550 million and $339 million, respectively, follow Saudi Arabia.

Brazilian exports to Latin American countries--amounting to $2,123 million--continue to exceed exports to the U.S.--$1,843 million--but are still below transactions with the EEC--$2.7 billion--according to the statistics for the first half of this year.

ZIMBABWE INTERESTED IN PURCHASING WEAPONS

PY071905 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Sep 81 p 5

[Excerpt] The main objective of the military and diplomatic officials who will receive a Zimbabwean military delegation today in Brasilia is to provide a view of the development of the Brazilian weapons industry.

The delegation, headed by Lt Gen Rex Nhongo, commander of the Zimbabwean Armed Forces, has been in Sao Paulo since yesterday to become acquainted with the armored vehicles Urutu and Cascavel, because they are interested in purchasing them.

The Zimbabwean delegation will be granted special treatment, judging from the lunch to be given to them at the Congress Club, with the participation of Gen Alacyr Frederico Werner, chief of the armed forces' staff; Baena Soares, secretary general of the Foreign Ministry; ENGESA Director Jose Carlos Pereira de Carvalho; and other diplomatic, military and materiel industry officials.

FOREIGN MINISTER EXPLAINS POLICY GUIDELINES

PA102304 Quito Voz de los Andes in Spanish 1230 GMT 10 Sep 81

[Passages within quotation marks recorded]

[Text] Reporting to Congress, the foreign minister of the republic referred to the traditional Ecuadorean open-arms policy of granting asylum.

"In Ecuador there are hundreds of exiles and political refugees, who through appropriate procedures have accepted the state's protection and the hospitality of the Ecuadorean people."

He immediately added: "We must expect requirements to be met substantively and not just in form by those persecuted, and these requirements were not complied with in the least. I am not the only one who says this. It is known by all the people of Ecuador and it is known by the congressmen." This is what the foreign minister said referring to the 19 April Movement [M-19] guerrillas.

Referring to Dr Julio Prado Vallejo, the foreign minister said: "He does not hesitate to help the enemies of Ecuador with his opinion that the government is not complying with international treaties. In this he is also wrong, very wrong. [Words indistinct] but upholds only those [international treaties] it has legally signed and which pertain to a given situation. Ecuador cannot uphold invalid obligations or those not applicable to a given case. The gentlemen of the M-19 have already proven their objectives here in Ecuador and they have done this on three occasions.

"The first occasion was on 18 April 1980. Hooded and accompanied by Ecuadoreans, they entered the Colombian Consulate in Quito, subdued the consular officials and other people present, hoisted the M-19 flag and that of a new group, an Ecuadorean group called the 18 October Movement, uttered the worst insult against President Roldos and his government and left a rude, offensive and insulting statement mentioning persons present here who are not the ministers, in language so vulgar that I will not read it here out of respect for Congress. The statement is at the disposal of the congressmen for their perusal. This was the first activity of the M-19 in Ecuador, if the murder of Mr (Briz) was not officially masterminded by this guerrilla group; there is no proof of this.

"The second occasion was the threats against the lives of President Roldos, personnel of the embassy in Bogota, and the ministers. The message was sent directly to the Foreign Ministry.

"The third occasion was more recent: the incident of La Bermeja, which has a more significant meaning than anything said up to now."

This was said by the foreign minister to justify the stand taken by the government on the M-19 guerrillas and he concluded by saying: "It is a basic foreign policy principle of Ecuador, demonstrated at all times including during the recent armed attacks from Peru, not to allow in any way the use of threat or force."

PRESIDENT'S OFFICE DENIES STROESSNER ILL

PY082045 Asuncion Teledifusora Paraguaya Television in Spanish 2300 GMT 4 Sep 81

[Text] A reporter from an international publication has irresponsibly wrote about presumed health problems of the president of the Republic of Paraguay, Gen Alfredo Stroessner. To obtain responsible and official information, channel 13 has talked to the Presidency's information and culture undersecretary, Anibal Fernandez, who gave us this answer:

[Begin Fernandez recording] I honestly believe that, to write in those terms, the writer should have first seen face to face the person about whom he was writing, the president of the republic in this case. I can assure you that not even Mr de Oliveira and much less Mr da Silva have seen the president of the republic, not because the president cannot be seen, but because they never came near to his excellency. The startling and deplorable aspect of this is that in the foreign press there are people who act this way. It is also deplorable that, obviously by mistake--and I would not like to think of anything different--such a distasteful report should be published. I can tell you that if there is anybody with splendid health, that person is the president of the Republic of Paraguay. The people and all the newsmen who are constantly covering government activities, presidential activities, ministerial activities, inaugurations, sport activities, can say that the president is a man of enviable vigor. I wish that everybody could enjoy the health the president has. Now you, Mr Sherrer Peralta, can tell me that these are just words. Well, there are facts. You have documentary pictures. The president not long ago was invited by Japanese personalities and he was throwing baseballs with so much energy. A man with circulatory deficiency and an ailing hand, or with any other serious malady as VEJA supposed and reported, could never do what the president does: go to the Chaco, get up at 0400 in the morning, go out to jog, exercise and go fishing. If every sick person were as the president of the Republic of Paraguay, mankind would be in great shape; don't you think? I am here to answer any question. I would add that there have been a lot of comments about the report; I even offered all this information to the editor of the newspaper which published the report. I even see that some newspaper, LA NACION of Buenos Aires has already mentioned information carried by the EFE press agency; also by the ASSOCIATED PRESS, whose correspondent in Asuncion was surprised, as well as we all were, by this sudden report of a disease that does not exist.

I believe that President Stroessner deserves more respect from those foreign journalists, from everyone in general, but especially from foreign journalists. They have no right to do this. They should leave us alone. We are doing so well here, and the president for us; understand? [end recording]

NATIONAL ACCORD CHAIRMAN REPLACED BY ROMULO PERINA

PY101940 Asuncion ABC COLOR in Spanish 10 Sep 81 p 14

[Text] The president of the Christian Democratic Party, Romulo Perina, has taken over as chairman of the National Accord during a ceremony yesterday held at the headquarters of the Febrerista Revolutionary Party. Thus, Romulo Perina replaced Domingo Laino, president of the Authentic Radical Liberal Party. The chairmanship of the National Accord is held on rotational basis by the presidents of the member parties of this bloc, with the exception of the Colorado Popular Movement [MOPOCO], whose leaders are in exile.

BRIEFS

FOREIGN DEBT--As of 31 December 1981 the balance of payments deficit of Paraguay stood at $860.9 million, an increase of $128.4 million over the same date in 1979. These figures were published by the Central Bank of Paraguay. During 1980 loans were taken out for a total of $181.3 million. [Asuncion HOY in Spanish 19 Aug 81 p 9 PY]

PRESIDENT ROYO, ILLUECA MEET PRESS ASSOCIATION

PA101432 Panama City Televisora Nacional in Spanish 2245 GMT 9 Sep 81

[Text] During a luncheon at noon today at the Lung Fung Restaurant in this capital, Panamanian President Aristides Royo held a cordial meeting with the Association of Foreign Correspondents [Asociacion de Corresponsales de Prensa Extranjera--ACPE] which is headed by Panamanian Tomas Cupas of the UPI.

The president was accompanied by the ministers of foreign affairs, the Presidency and government and justice as well as other ranking officials. The meeting was a result of an invitation extended to the foreign correspondents by the president in an effort to have an informal exchange of views. The luncheon resulted in an interesting press conference during which President Royo was quite at ease with the correspondents, who took advantage of the situation to ask the president questions on national and international topics of current interest. The following are excerpts of his replies:

[Begin Royo recording] Regarding the question about what would happen later if, for example, the United States decided to stay in Panama and maintain its military bases, I said that this was a matter for the government which is directing the destiny of Panama on 1 January 2000, and that the government at that time would have to decide. I cannot predict the future. [end recording]

Regarding the arms exhibition which was scheduled for November, President Royo reiterated his position to cancel the event. The only arms that are wielded in this country are the farmworkers' machetes. The only army is the students.

Regarding the role of the National Guard, President Royo stated:

[Begin recording] There is a National Guard to guarantee order, but not with an arms-race concept. Panama is a country which hates the arms race. Panama takes pride in being a peace-loving country. Panama takes pride in not having an army. [end recording]

Asked if there are Panamanians who are training as guerrillas in Cuba, Royo responded:

[Begin recording] In the first place, we do not know anything about Panamanians training in Cuba. We know nothing of this. secondly, the Panamanian Government has never sponsored subversive movements in Colombia with the 19 April Movement, M-19. At no time has Panama sponsored this type of activity. We have reiterated this to President Turbay Ayala, who recognized this in a public statement.

On the other hand, Panama cannot impede and will never be able to prevent any of its citizens from suddenly leaving Panama and deciding to join any subversive movement or deciding to go and train in any given camp in any given place. In Panama there is freedom to travel. In Panama any Panamanian can leave the country; we cannot prevent it.

If I am told tomorrow that there are some Panamanians in an armed movement in El Salvador or that there are Panamanians in an armed movement in Africa, I could not say that it is impossible. But to affirm that it is possible, they would have to tell me who the Panamanians are; they would have to list their names and verify their presence with their cedulas. Panama does not have the means or mechanisms to prevent a Panamanian from leaving the country, from joining a movement. As a government, we are definitely opposed to any action of this sort. [end recording]

As to whether the relatives of Nicaraguan Commander Eden Pastora were in Panama, the chief of state responded:

[Begin recording] [Royo] We have no information that they have requested political asylum. No such request has been presented to the Presidency or to the government.

[Question] Is Eden Pastora here?

[Answer] No. [end recording]

On whether Panama will establish relations with the USSR and China, President Royo said: [Begin recording] We are still holding consultations on this. Offhand, I would say that we are not going to establish relations; but we are holding consultations, and we are deliberating on that matter. [end recording]

Asked if there were anything new on the status of the Panamanians under arrest in Colombia, the president replied:

[Begin recording] There has been no news on their release, but many efforts have been made to obtain their release. Of course, we cannot oblige the Colombian Government to release them; but we have taken several initiatives to obtain the release of the Panamanians imprisoned in Colombia. We must definitely realize that they are under the jurdisdiction of the Colombian Government. Consequently, Panama cannot oblige Colombia to release them. But all efforts at political and diplomatic level have been made and will continue to be made to obtain the release of the Panamanians imprisoned there. [end recording]

During the meeting with the foreign correspondents, President Royo announced that Panamanian Foreign Minister Jorge Illueca will head the delegation that will travel to Belize on 21 September on the occasion of the events reaffirming Belize's sovereignty. Foreign Minister Illueca made the following remarks to our newsmen:

[Begin recording] [Illueca] The delegation just announced by President Royo will also include presidential adviser Nander Pitti Velasquez, some members of the people's power--the National Legislative Council and the National Assembly of Corregimiento Representatives--plus a group of athletes and an artistic and cultural troupe. The purpose of this delegation is, of course, to stress the Panamanian Government's faith in the future of the peoples of Belize. For a number of years, Panama--we must recall Gen Omar Torrijos' emphasis--has held that Belize's right to self-determination and independence should be recognized. Therefore, Panama's presence there will be a demonstration of the support and affection which Panama has for the people of Belize. It will also show our intention to cooperate with that new nation so that it will occupy the position it should have in the international concert and so that its independnece will be strengthened and consolidated.

[Question] Since Guatemala does not seem to be in agreement with Belize's declaration of independence, will this create any friction in the relations between Guatemala and Panama?

[Answer] Panama has also had a special interest in maintaining cordial relations with Guatemala and in no way do we wish to offend the feelings of Guatemala. Furthermore, Panama has wanted to contribute and, in fact, even offered its territory [to hold meetings]. On previous occasions, meetings were held among representatives of Guatemala, the UK and Belize here in Panama. That is, Panama has wanted to help Guatemala find a harmonious solution to this situation. The Guatemalan Government and people know of our affection for them and they know Panama's position with regard to this, which in no way offends the dignity of the Guatemalan people. On the contrary, our position stresses having this problem resolved in a fraternal climate of understanding, friendship and cooperation. [end recording]

Separately, President Royo made a brief statement to us in which he asserted that the recent visit of retired U.S. Gen Vernon Walters to Panama is not linked to any arrangements for a meeting between Royo and U.S. President Ronald Reagan. General Walters is a personal friend of Mr Reagan.

[Begin recording] [Question] Is there any possibility or can we understand that there was talk about a possible meeting between Mr Reagan and Mr Royo?

[Royo] No, there is absolutely nothing. Thus far, my visit will be to the United Nations in New York. Thus far we have not received any suggestion [for a meeting with President Reagan].

[Question] But there has been no attempt by Panama to secure such a meeting?

[Royo] I do not think that Panama would act in such a manner. If we were to meet Mr Reagan, it would be because he wanted it, he suggested it and because we were in agreement.

[Question] Sir, was there any suggestion, perhaps on the part of General Walters, that Panama would reconsider its decision not to participate in the multinational force in the Middle East as suggested by Egypt and sponsored by the United States?

[Royo] No, there was no suggestion to that effect.

[Question] According to AP, Omar Jaen said today that the U.S. Government agreed to promote a project for the construction of a second Panama Canal jointly with Panama and Japan. Could you expand on this?

[Royo] Yes, the U.S. State Department sent us a telegram 4 days ago indicating that the United States favors holding a feasibility study to improve the Panama Canal, and it clearly states that whether it is a sea-level canal or any other alternative, they are conscious that for the future of the waterway, it is necessary to make this type of study. They mentioned Japan and Panama specifically, but they were also very precise when they spoke of the possibility of expanding to permit the participation of other countries. Panama would be in total agreement with such participation. Although Panama has been the pioneer, in view of its great interest, the United States has picked up the ball and has manifested this. But we, in principle, would agree that a multilateral committee representing various countries, especially those who make the most use of the waterway, should participate in any such study.

On El Salvador, Canal Treaty

PA101708 Panama City LA ESTRELLA DE PANAMA in Spanish 10 Sep 81 pp 1, A-10

[Excerpts] "Sending arms to El Salvador, giving technological assistance and logistical support for combat, is intervention and that is condemnable," the Panamanian president, Dr Aristides Royo, stated yesterday before foreign correspondents.

Although Dr Royo did not specify whether he was referring to the intervention in the Salvadoran conflict by the Cuban Government through the sending of arms or by the United States with its economic and military assistance programs, he warned that "Panama reiterates its position that the parties must seek a solution to the conflict or to the problem"...and that "for the solving of the conflict we have offered our territory and our government efforts if they want us as mediator."

"Panama," he said, "did not sign the declaration of recognition signed by Mexico and France because Panama is a country which traditionally favors dialogue between the parties, and in the specific case of El Salvador, Panama believes that there is still room for a negotiated political solution."

The president said that the oil pipeline being constructed from Chiriqui to Bocas del Toro "will ease the tremendous burden on the canal," permitting other merchandise to pass through the waterway more quickly. "We do believe," Dr Royo said, "that the oil pipeline is going to be profitable."

Royo announced his possible visit to the United Nations at the end of the month.

President Aristides Royo said that on 30 September he will speak before the UN General Assembly on the topic of the Panama Canal and the application of the 1979 treaties signed between the United States and Panama.

Royo said that the United States has incurred various violations of the treaty signed 4 years ago by former President Jimmy Carter and the late chief of the Panamanian Government, Gen Omar Torrijos.

"The most serious thing," he noted, "is having enacted a law (No 96-70 or the Murphy Law for the implementation of the treaty, approved by the U.S. Congress in September 1979) which has many small elements which, when added together, make the entire law harmful."

Royo noted that the most notable aspect of the law was that it turned a corporation (the Panama Canal Company) into an agency of the U.S. Department of Defense "under the absolute power of the secretary of defense."

"Another violation is really absurd, so absurd that it appears childish: The law stipulates that in order for the board of directors to have a quorum, all five U.S. members must be present and that if only four North Americans and three Panamanians are present, then there is no quorum," Royo stated.

Royo's speech before the UN General Assembly is scheduled for Wednesday, 30 September.

In January 1980 Royo sent a long letter to President Jimmy Carter asking President Carter to request that the U.S. Congress amend Law 96-70 so as to eliminate what is, in the opinion of the Panamanian Government, "a violation of the spirit of the treaty" of 1977.

In a brief response months later, Carter acknowledged receipt of the letter and took note of the Panamanian authorities' interest in the execution of the canal treaty.

Royo said he will travel to New York to speak before the UN organization where he will charge that the United States has violated the Torrijos-Carter treaties. These violations were based on various aspects of Law 96-70--the Murphy Law.

On U.S. Troops, Neutron Bomb

PA101930 Panama City MATUTINO in Spanish 10 Sep 81 pp 1, 8-A

[By Roberto R. Rodriguez]

[Excerpts] "I was a treaty negotiator and I am proud to say that we established an expiration date for the presence of the North Americans and their military bases" in the canal area," the Panamanian president, Dr Aristides Royo, said yesterday during the luncheon with foreign correspondents. [quotation marks as published]

The Panamanian chief of state rejected statements attributed to him and published in the United States that he supported the existence of U.S. military bases in our country after the year 2000. "I could hardly favor the presence of U.S. troops after 31 December 1999," he said after reiterating that since he reached the age of reason, he has been opposed, together with other persons and national heroes, to the U.S. military presence.

When asked about the neutron bomb, the Panamanian chief of state made the following remarks: "I hope they invent a cure for cancer and other ills plaguing world humanity...I cannot agree with the invention of any bomb."

In this regard, President Royo said he is not in agreement either with the arms race or with the invention of contraptions which do not contribute to world peace. Nuclear energy, he said, should have peaceful applications that benefit humanity. "We cannot agree with the neutron bomb or any other bomb," he stressed.

BELIZE

BRITAIN AGREES TO GIVE POSTINDEPENDENCE AID

FL091740 Bridgetown CANA in English 1720 GMT 9 Sep 81

[Text] Belmopan, Belize, 9 Sep (CANA)--Britain has agreed to make 12 million pounds in postindependence aid available to its Central American colony of Belize, an official statement said. The statement said that the money will be in the form of a 6 million sterling grant with the other 6 million as an interest-free loan.

Belize, after 16 years as a self-governing colony, becomes independent on 21 September.

The statement said that the existing British technical cooperation program to the country will continue. It added that an agreement on the administrative arrangements of the aid program is expected to be signed shortly following talks here with government officials and the head of the Barbados-based British division in the Caribbean, Kenneth Wolverton.

COSTA RICA

CARAZO MEETS WITH FMLN-FDR REPRESENTATIVES

PA100518 San Jose Radio Reloj in Spanish 1730 GMT 9 Sep 81

[Text] President Rodrigo Carazo received two members of the political-diplomatic committee of the FMLN-FDR this morning. The representatives of the FMLN-FDR, Jose Rodriguez and Fabio Castillo, expressed their gratitude for the position adopted by the Costa Rican Government in connection with the French-Mexican declaration and voiced their viewpoints on the Central American situation, according to an FMLN communique.

According to the communique, concuring views were expressed during the interview on concern about the threats to peace in the area and on the hopes for a political solution of the present conflict. The Costa Rican president reiterated his opinion that such a solution should not be of a military nature.

The Costa Rican Government recently confirmed its recognition and support of the Salvadoran governing junta headed by Jose Napoleon Duarte.

EL SALVADOR

ARMY, GUERRILLA MOVEMENTS, CONFRONTATIONS

Bombings in San Salvador

PA100510 Panama City ACAN in Spanish 1853 GMT 9 Sep 81

[Text] San Salvador, 9 Sep (ACAN-EFE)--Approximately 10 commercial establishments were partially destroyed today by a bomb explosion in the Balam Quitze condominiums in the western part of San Salvador, official sources have announced. The explosion occurred at approximately 0600 (1200 GMT), according to the sources.

The building houses more than 30 local businesses, including restaurants, stores, bank offices, private offices and the Panamanian Embassy. According to the reports, the Panamanian Embassy installations were not damaged.

The sources added that the dynamite charge was placed in a hall of the building. There were no casualties in the attack and thus far no group has claimed credit for it.

Havana Reports Incidents

PA110316 Havana International Service in Spanish 0000 GMT 11 Sep 81

[Text] Guerrilla commandos of the FMLN killed some 25 soldiers during a clash in Caraito canton, Usulutan Department. The rebels launched their attack with bazookas and automatic rifles against military forces stationed in that region. Several helicopters which came to support the government's forces were damaged during the combat.

Another report says that a modern building on General Escalon Boulevard, in the east side of San Salvador, in which there are some 15 stores controlled by the 14 most powerful families of the Salvadoran oligarchy, was shaken by a strong explosion.

Other reports say that another beheaded body was found along the San Salvador-San Marcos highway. Many bodies have been found in recent weeks in similar conditions in different parts of the country.

Meanwhile, thousands of Salvadorans are being sent back to their country by the U.S. authorities who refuse to grant them the status of political exiles. Many of these persons have been murdered by the Salvadoran dictatorship upon their return.

Rebel Leader On Strategy

PM101536 Algiers EL MOUDJAHID in French 30 Aug 81 p 4

[Ali Haibib interview with Fernan Cienfuegos, member of the El Salvador Farabundo Marti National Liberation Front command, in AL HUAZAIR on 29 August: "The Situation Is Clearly Favorable To the Revolutionary Forces"--first two paragraphs are editorial introduction]

[Text] Mr Fernan Cienfuegos, a member of the Farabundo Marti National Liberation Front [FMLN] command, has been paying an official visit to Algiers since last Monday.

During his visit, the Salvadoran revolution leader informed the Algerian leaders of the latest developments in his people's struggle and in the situation in the region. We met him yesterday and he was kind enough to talk to EL MOUDJAHID about the harsh realities of the Salvadoran people's life and the victories won by the guerrillas under the FMLN Banner.

"When it launched its general offensive against the ruling junta at the beginning of 1981, the FMLN, with the people's support, established seven autonomous fronts in various regions of the country, especially in the north and west, which it is constantly extending and consolidating, combining conventional warfare and guerrilla actions according to circumstances," he stated. "In the initial phase (from 10 January), most of our efforts were directed at the rural zones, but last July we decided to extend the revolutionary struggle to the very heart of the cities, which explains why reference is sometimes made to the second phase of our armed struggle. Indeed, our general offensive has sound structures, and we hope to be able to launch the final assault in the near future.

"At present our main objective is to control the road networks in order to limit the junta forces' mobility. At the same time our guerrillas are stepping up economic sabotage, mainly by attacking electricity installations, which is gradually bringing chaos to the economy and to the army infrastructure. Our main advantage is the extreme flexibility of our forces, their ability to vanish into the countryside once their actions have been carried out and also, of course, the active support of the population, who accept the great sacrifices that involves. Although it has not succeeded in completely routing the junta forces, our strategy has considerably undermined their offensive capability. Since the junta has used all its military potential, it cannot easily step up its action and is now turning to bacteriological warfare, spreading defoliants, viruses and so forth over increasingly large areas of land."

Referring to the massive amounts of American economic and military aid, the FMLN envoy saw it as a sure sign of the junta's failure to maintain itself in power by its own means: "Without U.S. aid the fascist dictatorship would not last 30 minutes. This multifaceted aid ranges from armaments (heavy and light weapons, helicopters and so forth...) to officer training. Officially there are at present 150 U.S. advisers in El Salvador, but for specific actions their number sometimes goes up to 500, with people brought in from neighboring countries like Guatemala, Honduras and Panama (their headquarters). In addition to this there is active support from the Zionist state and from some Latin American countries such as Uruguay, Argentina and Chile....

"This clearly means that the Salvadoran revolution is not only fighting the fascist junta and American imperialism, its natural ally, but also the forces of international reaction."

In view of the Nicaraguan precedent, imperialism will do everything in its power to halt the revolution's victorious march in El Salvador which, moreover, is part of a more general strategy which covers areas like the Middle East and southern and northwestern Africa.

As Fernan Cienfuegos pointed out, this means that the Salvadoran people's struggle is closely linked to that of all other peoples in the world, since they have a single common enemy: imperialism, and Zionism and neocolonialism, its other manifestations.

The junta, which has been forced into a defensive position on the military level, is trying to improve its image and put up a democratic front which deceives nobody.

On Washington's advice it is envisaging "free" (!) elections in March 1982. "In the situation of war and repression now prevailing in El Salvador," the guerrilla leader said, "these elections are unacceptable especially since, according to Duarte, we would have to lay down our arms. However, in view of the disintegration of the enemy's politico-military apparatus and the complete bankruptcy of the private sector resulting in general economic crisis, we are in an extremely favorable position in the domestic sphere and are deploying and consolidating our forces with a view to the final offensive. We are also scoring points at the international level."

Turning next to the recent statement by France and Mexico in which they recognized that the FMLN-Democratic Revolutionary Front [FDR] "constitutes a representative political force prepared to assume the duties and exercise the rights which stem from that," Fernan Cienfuegos welcomed the positive aspect of such a stance by friendly governments, which constitutes "implicit recognition of the legitimacy of the people's uprising guided by the FMLN-FDR." "We do not rule out a political solution," he added. "Back in December 1980, we appealed to the United States for direct negotiations. In April 1981, the front again proposed mediation. We have contacts with Social Democracy and Christian Democracy through our alliance with the FDR, of which these are component parts. But all our good-will gestures were rejected. Thus we think that the only possible political solution in our country is the establishment of a democratic and progressive government of national union capable of restoring democracy and introducing the necessary social reforms for the people's sole benefit. It must be a government firmly attached to the principles of nonalignment and to El Salvador's political and economic independence.

ARCHBISHOPRIC LEGAL AID OFFICE ISSUES APPEAL

PA082012 Paris AFP in Spanish 1905 GMT 7 Sep 81

[Excerpt] San Salvador, 7 Sep (AFP)--The Legal Aid office of the Salvadoran Archbishopric appealed today "to all peoples and governments, the UN Human Rights Commission and the OAS" to put an end to "the longstanding ordeal suffered by thousands of missing Salvadorans." The appeal is also addressed urgently "to those directly and indirectly responsible for this, to those in charge of fulfilling and insuring fulfillment of the law, and to those who must safeguard prompt and effective administration of justice."

COMMUNAL UNION TO JOIN UPD RANKS IN ELECTIONS

PA062126 San Salvador EL MUNDO in Spanish 4 Sep 81 p 23

[Communique by Guillermo Blanco, for the National Executive Council of the Salvadoran Communal Union, published as paid advertisement]

[Text] The time of truth has finally arrived. The political moment is near. From its beginning the Salvadoran Communal Union has been devoid of political overtones. In spite of this we have been charged with belonging to the official party and on many occasions we have been accused of being members of organizations opposed to democracy. Therefore, once and for all we wish to inform the Salvadoran people that:

We have never participated in any activity under any partisan political banner. Today, however, we are going to participate in a movement which, not being a political party in the traditional sense, genuinely represents the sacred interests of the labor-peasant community.

We have always gone to the polls by expressed orders from our oppressors. We have always given our vote, not knowing that by doing so we were digging our own graves.

We have always been abused and never considered not voting for a specific candidate; but today we understand, and we will cast our vote to decide the nation's political situation. To do this, we have solemnly agreed to actively join the ranks of the People's Democratic Unity, UPD.

Organized as we are, we now definitely constitute a majority. Deceit, threats and mockery will no longer work. If the elections do not represent trust and guarantees, we shall not be responsible for any decision which, at a time of frustration, our rank and file may adopt.

For the National Executive Council, [signed] Guillermo Blanco. Land, work, freedom.

GUATEMALA

MINISTRY REQUESTS MEETING OF UN SECURITY COUNCIL

PA110004 Panama City ACAN in Spanish 2348 GMT 10 Sep 81

[By Mauricio Barrera]

[Excerpt] Guatemala City, 10 Sep (ACAN-EFE)--Guatemala today asked for a meeting of the UN Security Council in order to report on its territorial conflict with Great Britain over Belize, which will be granted its independence on 21 September from Great Britain. The Guatemalan Foreign Ministry announced this afternoon that Eduardo Castillo Arriola, Guatemalan ambassador to the United Nations, told the president of the UN Security Council, in New York, that "the unilateral independence of Belize is a threat to peace and international security."

HONDURAS

FUSEP TO BE REPLACED BY NEW ORGANIZATION

PA092125 Tegucigalpa Radio America in Spanish 1145 GMT 8 Sep 81

[Text] An army spokesman told the dean of the country's press [reference to EL CRONISTA] that the Public Security Forces [FUSEP] will disappear before the November presidential elections. The spokesman added that FUSEP will be replaced by an armed organization to be called the military police, which will have the same nature as army combat units. This decision, made by the armed forces command, is intended to keep the army autonomous in military matters and to give the police a new image through reorganization.

The changes will include strict selection of military police personnel and the dismissal of individuals who have given FUSEP a bad image through their arbitrary actions. This decision is also intended to insure that another paramilitary organization such as that which operated in Ramon Villeda Morales' liberal government under the name of civil guard will not again be created.

BISHOPS ON CORRUPTION, ELECTIONS, REFUGEES

PA110154 Paris AFP in Spanish 2358 GMT 7 Sep 81

[By Juan Sierra]

[Text] Tegucigalpa, 7 Sep (AFP)--The Episcopal Conference of Honduras, which is composed of all the Catholic bishops of the country, in a public declaration today denounced "the great danger looming over the elections process, the threat of violence, administrative corruption and the situation of the refugees who live in this Central American nation." The prelates note that contrary to the positive objectives reached with the 1980 Constituent Assembly elections, "on this occasion, discouraging attitudes that must be corrected have emerged."

Regarding the present elections process, the bishops caution that "the people have been somewhat disillusioned and it is necessary to recreate trust in the democratic process. The people don't believe in demagoguery. They need solutions for everything and an honest elections process that should not arouse the slightiest suspicion of fraud." The document adds: "If the elections process is interrupted, or if an attempt is made to suspend it because of distrust or the temptation of power, our democracy could fail, and this time the consequences will not be what they have been in the past under similar circumstances. This time the country would fall in the vortex of extremist violence, something we must avoid at all cost."

Referring to the "threatening violence," the episcopal letter notes that "although the rate of violence in our country is not as high as that of other nations, we cannot remain indifferent to its various manifestations: robbery, kidnapping, occasional arbitrary arrests, strange murders, rumors about the existence of paramilitary groups of repression outside the law, and so forth."

The bishop's document notes that "there are many kinds of violence. There is not only the violence of the one who steals or kills." It adds: "Every unjust situation or action is also violent and leads to violence. The policy of trying to stop violence with violence has resulted in many innocent victims in other places and it has generated more violence, especially among the young and it has not solved anything." The episcopal document notes that "sometimes innocent people are persecuted by those trying to fight violence and this creates resentment, which is the best seed for more violence."

The episcopal letter says: "We have evidence that persons, including church people, have been arrested and charged with serious crimes and no explanation has been given for this later. In a poor country like ours," the letter adds, "one of the most frequent reasons for violence is social problems and it is necessary not to close our eyes to serious social problems and to do whatever is possible to alleviate them even if this is done as a result of human calculation and not because of Christian charity." The document notes: "There is one social problem among us that is a great burden to the people and that we cannot fail to mention: administrative corruption, which like violence, once it appears, grows and results in uncontrollable violence."

According to the document of the Honduran Catholic Church, "hardly a month goes by without charges of curruption being filed by the news media. The charges range from abuse of authority to fraudulent bankruptcies, foul managing of institutions, blackmail, bribes in biddings, contracts and payments, smuggling, promotion of illegal games and so forth."

The Honduran bishops' letter concludes by pointing out the problems that the refugees in the country, mostly Salvadorans, are facing. The letter states: "We have been able to verify the sad situation many of them are enduring: insecurity, poverty, illnesses, lack of housing and health facilities and so forth. We are aware of the fact," the declaration notes, "that this is a very complex problem and that it has many political and social ramifications but we urge the institutions and the authorities to join in a humanitarian effort on behalf of these brothers who are suffering. We reject any kind of manipulation through the suffering of others."

GUATEMALAN INDUSTRIALISTS-ANDI TRADE TALKS FAIL

PA100258 Tegucigalpa La Voz de Honduras in Spanish 1145 GMT 9 Sep 81

[Text] The talks between Guatemalan industrialists and the National Association of Industrialists [ANDI], who were trying to find a solution to the problems created by Decree No 1454, failed yesterday in Tegucigalpa. The ANDI secretary, Gustavo Adolfo Alfaro, announced the details.

[Begin recording] [Alfaro] At this meeting we began to study the views of the Guatemalan chamber of industries and of the ANDI, with the hope of finding a viable method of resuming bilateral trade. Unfortunately, we found deadset opposition to Decree No 1454 among the Guatemalan delegates. Of course, we oppose it too, as does the Honduran private enterprise sector, but we feel that, as it is a law of the republic, and as long as there is no political decision by the government to modify it, it is the obligation of citizens of this country and of all those who trade with our country to adhere to its provisions.

[Question] Does this mean that trade between the two countries will not be strengthened as was expected, since the situation remains at a standstill?

[Alfaro] All the meeting could do was to make several recommendations for the two countries' ranking government delegations. I think that we do have some agreement, but large differences still persist, especially in terms of those products covered by the bilateral free trade treaty. Under this treaty these products were taxed at 5 percent of their value with Decree No 1454. The tax will be 10 percent of their value.

[Question] Was any document or resolution issued regarding the recommendations to be made at government level?

[Alfaro] The Guatemalan delegates agreed to conduct consultations with businessmen in their country. There are still some products--or rather, they feel basically that some producers in their country are not in a competitive position to absorb the 10 percent. On our part, we feel that Decree No 1454, by levying a 5-percent tax on the importation of raw materials by Honduran enterprises, places us at a disadvantageous competitive level with regard to those products placed on the national market from other countries. These are to a great extent the views on which we have still not reached agreement.

[Question] Can we say that these conversations have failed?

[Alfaro] I think it is a good start, because we also agreed to hold another meeting on Friday in Guatemala City to reach a definitive agreement, after they hold consultations with the industrial sector in their country. [end recording]

NICARAGUA

ORTEGA RETURNS FROM VISIT TO LIBYA, ALGERIA, CUBA

PA102235 Managua Radio Sandino in Spanish 1800 GMT 9 Sep 81

[Excerpts] The Nicaraguan delegation headed by Commander Daniel Ortega, coordinator of the junta of the Government of National Reconstruction, which visited Libya in connection with the campaign of international solidarity with that nation and the 12th anniversary of the Libyan revolutionary triumph, returned to Nicaragua this morning.

Shortly after his arrival, the coordinator of the junta of the Government of National Reconstruction gave a news conference to report on his trip. We now present the statement of Commander Daniel Ortega:

[Begin recording] We wish to greet our people after returning from this trip of several days to the Socialist People's Libyan Arab Jamahiriyah and Algeria, with a stopover in Cuba. We wish to explain that this entire trip did not cost the revolutionary government a single cent since it was financed by Brother Mu'ammar al-Qadhdhafi, the leader of the Libyan Arab Jamahiriyah, who put a plane at our disposal here in Managua, which we used to travel to these various places.

The Nicaraguan people have logically earned the respect and affection of revolutionary leaders such as al-Qadhdhafi, Algerian President Chadli Bendjedid and Cuban President Companero Fidel Castro. We can say that this trip was a result of an invitation we received on the occasion of the 12th anniversary of the Libyan revolution. Our Sandinist people's revolution, committed to the revolutionary struggle of the Libyan people, decided to be present through us, and for this reason, we accepted this invitation and used the opportunity to visit all these leaders we mentioned.

In the various meetings we held, we reaffirmed our friendship with the Libyan, Algerian and Cuban peoples. We discussed matters of common interest concerning the aggression of the international reactionaries and the warmongering policy which threatens world peace. We also stressed ties of solidarity and cooperation in all areas.

We then want to say that we are very happy with this trip--all the attention we received and especially of our stay in Libya, where we had the opportunity of visiting the Gulf of Sidra, which is the guld where, as we all know, two Libyan planes were downed. This a gulf that has become historic because it is the place where an aggressive policy which threatens world peace is being resisted.

On the occasion of the Libyan festivities, we were able to meet with Brother Yasir 'Arafat of the PLO and the presidents of Madagascar and Chad. We also discussed matters of common interest with them.

We want to add that we are happy to be back in Nicaragua and once more state that the Nicaraguan people are being represented and they have earned this right to be represented. [end recording]

RADIO-TV EXCHANGE AGREEMENT SIGNED WITH USSR

PA102328 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 10 Sep 81

[Text] An important agreement for the exchange of materials was signed today [place not given] by representatives of the Nicaraguan Radio Broadcasting Corporation and the State Committee for Television and Radio Broadcasting of the USSR. The document was signed by Federico Lopez, member of the Sandinist front's propaganda department, and by Sergey Lapin for the Soviet Union.

By virtue of the agreement, the two countries will exchange materials referring to the history and the current process of the two countries, as well as musical recordings.

CORDOVA RIVAS SEES CHANGE IN U.S. APPROACH

PA101738 Managua Radio Sandino in Spanish 1200 GMT 9 Sep 81

[Text] Yesterday Rafael Cordova Rivas was pleased to announce that representatives of the U.S. Government, for example, Thomas Enders, have changed their manner of dealing with Nicaraguans. They no longer come to give orders as they had previously done. Now there is a dialogue between two sovereign states.

Rafael Cordova Rivas was interviewed by this news program. During the interview he noted that Assistant Secretary of State for Inter-American Affairs Enders promised to return on 21 September. It was a respectful dialogue. We discussed many subjects and we did it with dignity, and without arrogance, Cordova said. Cordova was asked if it is true that Enders has asked Nicaragua to stop its acquisition of arms and Cordova said that they discussed that and other subjects but not as it had been done in the past.

BORGE DENIES DIVISION WITH FSLN, DETAILS PLOT

PA110255 Managua Domestic Service in Spanish 2231 GMT 10 Sep 81

[Statement by Interior Minister Tomas Borge Martinez at a news conference held at the Interior Ministry auditorium--live]

[Text] Companero newsmen: In late August, the State Security General Directorate received information from different sources about several individuals linked to Sebastian Gonzalez, known here in Nicaragua as (Guachan) Gonzalez. Some of these associates of Sebastian Gonzalez are former fighters of the Benjamin Zeledon Southern Front who presently hold posts in various state organizations. They were carrying out activities designed to stir up individuals who were disgruntled for one reason or another or who had been dismissed from the army or other organizations of the revolutionary state. Most of them had been dismissed for corruption and abuse of authority. They sought to create a movement to change the course of the revolutionary process, using the prestigious reputation of Commanders Eden Pastora and Jose Valdiva. They claimed that these companeros were prepared to fight against the Sandinist people's revolution and that they had created a general staff abroad which, according to them, included Commanders Pastora and Valdivia and the individual Sebastian Gonzalez.

These plans coincided with reports released by some foreign missions and some circles of the domestic reactionaries to the effect that there was division within the FSLN. As everyone knows, both the bourgeois reactionaries and other centers of ideological diversionsim claim that within the FSLN there are moderates and there are radicals and that very soon one sector--the moderates, of course--would initiate actions to strengthen their positions, which in practice means to provoke division, confusion and the weakening of the revolutionary unity in the ranks of the FSLN.

State security detected the plan from the very beginning. It consisted of putting up posters and signs--many of which were indeed put in place--promoting the resignation en masseof technicians and causing various conflicts within labor organizations and the masses. All of this would be done by exploiting the situation of economic crisis that the country is facing, a situation that was explained precisely yesterday by the companeros of the covernment junta.

According to textual statements made by Leonel Poveda, the monetary fund [presumably the IMF] would cause a further restriction internationally of loans to and economic commitments with Nicaragua.

On the last Thursday in August, Leonel Poveda, taking advantage of a trip to Costa Rica on an official mission as deputy minister of domestic trade, went to Panama where he met with Sebastian Gonzalez, who has been in Panama since abandoning his post in a sugar project being carried out by the revolution.

Gonzalez and Poveda met with other individuals, whose names we cannot provide as yet. They have not been fully identified. These meetings provided the guidance for the activities that they had already planned. To this end, the day after his arrival in Managua, Poveda met with Hector Sanchez, Mario Aviles, Adolfo Chamorro--I think the second surname is Sediles, no it is Cesar--Luis Rivas, (Edy Oviedo), Mauricio Castillo Sanchez and others and informed them of the plan, indicating that it was urgently necessary to implement it. He told them that enough money was available for this and that it was necessary to form groups that would initially devote themselves to painting slogans and distributing flysheets and then, after that stage was completed, they would have other missions to carry out.

It should be noted that in order to carry out his objective, Poveda indicated to those involved that in recruiting participants, it would be inadviseable to inform them that the plan was directed against the revolution and against the National Directorate of the FSLN. At this meeting, Poveda, Sanchez, and Aviles formed what they called the internal general staff. Also participating in that meeting were (Rosa Esther de Soza) and (Reineri Soza), (Mauricio Madue) and (Jorge Crozco). On this occasion, Poveda delivered four letters addressed to several of those in attendance, and gave each of them money. He also gave instructions regarding the assignment of tasks. These letters were sent by (Guachan) Gonzalez.

He gave (Omar Espic Ocon) 3,000 cordobas to carry out activities in the Monsignor Lezcano, Santa Ana and (Campogruci) neighborhoods. (Reineri Soza) received 10,000 cordobas and Hector Sanchez 30,000 cordobas. Sanchez would form groups for the (?Las Jaguitas) Villa Cuba, Ciudad Sandino, La Fuente, La Uca, (Calomar) and (Villa del Carmen). In turn, these individuals contacted Luis Rivas Leal, who gave his driver, (Guillermo Zapata) money to pay the five individuals who would carry out this activity. In Villa Panama and other neighborhoods, Hector Sanchez contacted his former driver, Jose Vicente Godoy Martinez, and gave him 6,000 cordobas for this activity.

The same happened with Carlos Abaunza Cabezas, who received a similar amount to print fliers and paint slogans. To do this, Albanza Cabezas met with Secundino Chavez and (Reineri Soza). The individuals involved in this carried out their activities on 1 and 3 September and agreed to resume their activities during the following weeks in other parts of Managua, continuing with the proposed plan.

On 3 September, the General Directorate captured most of those involved and began investigating several youths who had been incorporated into these activities and who had been mentioned by those who were arrested as having participated in these activities. They were already released.

Here is the list of those arrested: Leonel Poveda Sediles, Jose Adolfo Chamorro Cesar, Hector Jose Sanchez Arguello, Mario Aviles Saenz Alfredo Mendieta Artola, Mauricio Castillo Sanchez, Jose Vicente Godoy Martinez, Carlos Enrique Abaunza Cabezas, Julio Cesar Ramirez Bermudez, Secundino Rodriguez Chavez, (Omar Espic Ocon Meza), (Jorge Orozco Granados), (Mauricio Madue Bolanos), (Guillermo Zapata Manzanares), Luis Rivas Leal, (Alan Nada Croll), (Ricardo Soza) and (Rosa Esther de Soza).

Those who were released are: Emiliano Ramon Torres, Duarte Raymundo del Carmen Torres Suarez, as well as Mrs (Reineri del Socorro Soza Carvajal), because she is pregnant. [words indistinct] She was linked to these activities but we are very cautious and since she was pregnant, she was released immediately. [words indistinct]

These are the facts. What's behind all this? I believe that it would be good to point out that what we have here are political and ideological weaknesses. There are resentments on one hand, because most of those involved participated in the rearguard of the southern f ont and joined the revolutionary struggle during the last moments of it, does not mean that they are not fullblooded Sandinists. They were not forged during the years of the revolutionary struggle of the Nicaraguan people within the FSLN. They even evidenced certain signs of weakness in the southern front, Sebastian Gonzalez Guachan) in particular.

He had many conflicts on the southern front. He is a very vigorous and dynamic man in his activities, but he also displays conflicts and some not very clear political ideas. He is the mastermind, the head of all this conspiracy, as we have called it.

We want to stress that so far we cannot speak of an armed conspiracy. A conspiracy aimed at dividing the FSLN ranks, however, is more dangerous than an armed conspiracy because in an armed confrontation the firepower is the decisive factor but in this case, other more serious factors can damage the revolutionary process.

We are very concerned over the use of Eden Pastora's name, which is very prestigious in Nicaragua and abroad, becuase this could confuse many companeros, especially many youths. The names of Eden and Valdivia could easily be used to cause division. In practice, the attitude assumed by these individuals is the result of all the maneuvers of the domestic and international reactionaries. It is the result of the well-known practices of the CIA. Albeit unconsciously, they were, objectively speaking, pursuing an activity that furthered and continues to further the interests of the imperialists and the enemies of the revolution.

We, here, are going to take care of the unity of the FSLN as one takes care of a delicate object. It is to the great advantage of the enemy to destroy the unity of the FSLN. Nothing can destroy or eliminate us, not armed counterrevolutionary bands or armed attacks by the enemy or the difficult economic situation that we are facing. Nothing can destroy this revolution, except disunity within our ranks. The enemy, who is not stupid and who is perfectly aware of this, is trying to bring this about. Therefore, these men were in practice cooperating with the main objective of the enemy of our revolution: to divide the ranks of the FSLN. Therefore, we have not hesitated to arrest them, to cut off the chance for this activity to develop.

But what solution will we provide? We believe that these weaknesses that have resulted in mistaken and misguided positions should not be the object of administrative measures. Our revolution has been characterized by its broadmindedness and flexibility and by its provision of opportunity to all, including those who make mistakes. Of course, the revolution cannot be so broadminded as to give more than one opportunity, but we feel that at least once, it is necessary to give a second chance to those who make a mistake.

As to whether there is some hand behind all this, we are inclined to believe in principle that the individuals involved in this activity have been motivated by resentment and by political and ideological confusion. We have been talking with them these past few days and we have pointed out to them that their attitude is not practical and that their attitude could do great harm to the revolution. For example, we talked with Mario Aviles, who has already been freed.

TOMAS BORGE ADDRESSES JOURNALISTS DAY MEETING

PA101815 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 9 Sep 81

[Excerpts] A special ceremony took place this afternoon at the headquarters of the Union of Journalists of Nicaragua, UTN, to commemorate International Journalists' Day. The ceremony was attended by the interior minister, Commander of the Revolution Tomas Borge Martinez, the ambassadors of Mexico and Panama, as well as representatives of the socialist nations accredited in the country.

Speaking on behalf of the FSLN National Directorate, Commander Borge said:

[Begin recording] They believe we are alone in the world; that the aggressiveness of imperialism and the Latin American gorillas' presence shall suffice to isolate us. In fact, we would prefer to be alone than in bad company.

Nevertheless, they should know we are not alone; that here today are present the representatives of two peoples and two governments which will never abandon us and our revolution. Furthermore, there are other countries in the world which are on our side; that revolutionary Cuba is on Nicaragua's side all the way; that there are others in Europe, Asia and Africa who are on our side. Therefore, imperialism will never be able to isolate us.

If some sectors follow the lines of imperialism, we would prefer to be alone in Central America than to be in the bad company of gorillas who massacre their people. We do not want to be in the company of such elements. We want to be with the Mexicans, with the children of Torrijos, with the brothers of Fidel Castro. [applause] We want to be with the people struggling for peace and their liberation. [applause] [end recording]

The Mexican ambassador to Nicaragua, Julio Zamora Batiz, speaking in the name of the diplomatic corps, discussed how the imperialist news agencies misinform the people.

Finally, the Gallery of the Journalist Heroes and Martyrs was dedicated in honor of those colleagues who gave their lives for the noble and just causes of the oppressed peoples of the world. The companeros of the communications media organization then proceeded to place a floral wreath on the site where U.S. newsman Bill Stewart was murdered.

Companero Mario Martinez Caldera, speaking for the Communications Media Directorate, noted the importance of remembering that today there are courageous journalists who are carrying our their duties under great risks. There are journalists who are struggling for the self-determination of peoples, for economic independence, national sovereignty and against intervention. [end recording]

'Prophets of Lies'

PA102000 Managua Radio Sandino in Spanish 1200 GMT 9 Sep 81

["Excerpt" of speech by Commander of the Revolution Tomas Borge Martinez, Nicaraguan interior minister, on the occasion of International Journalists Day; at the headquarters of the Union of Nicaraguan Journalists in Managua, 8 September--recorded]

[Text] The truth is that there are two kinds of journalism in the world and also in Nicaragua: revolutionary journalism and counterrevolutionary journalism. It is as if there were two armies struggling. Although we already know which army will win, we cannot be careless or close our eyes to the situation, to the danger that this struggle represents.

It would be useless for me to tell you what revolutionary journalism is since you are the heroes of revolutionary journalism in Nicaragua. [applause] You also know who the heroes of counterrevolutionary journalism are.

Yesterday or the day before we read a letter in a newspaper that a worker sent to a reactionary journalist. We also read the reactionary journalist's answer. I am sure you all know to whom I am referring. We remember that this reactionary journalist, whom we knew during the underground days, once told us: I am a Marxist, but I want to tell the truth. [words indistinct] I don't want to get mixed-up in this. Of course, this journalist who claimed to be a Marxist back then but who now claims to be a Christian, is now saying [words indistinct] but that he was guided by Christian principles.

When he was claiming to be a revolutionary, he also said he was scared, so he could not have been a revolutioary if he was afraid, because true revolutionaries are never afraid; They fear no one. [applause]

And what can we call thses journalists? Prophets of lies. Lies are still useful and there will be lies for a long time in the world. The center of lies, the capital or lies, the home office of lies--you know this--is in the violent and brutal North. From there comes the programming of lies, the programming of destabilization, ideologic diversionism, aggressions against the people. Reactionary journalists are the prophets of those lies. They are archetypal liars.

Here in Nicaragua, there are plans to destabilize and destroy the revolution. They cannot forgive the Nicaraguans for carrying out a true revolution. And that huge and great country dominated by the reaction cannot forgive a small, poor and weak nation for confronting the imperial arrogance of that big country.

They are planning ways to destroy the revolution. They are trying to divide the revolutionaries. They speak of moderates and of radicals. We have moderates and radicals among the leadership but they must know once and for all that the FSLN National Directorate is composed of revolutionaries, Sandinists, people who are prepared to fight to death for their people and their revolution.

CARLOS NUNEZ REFERS TO NEW CONCEPT OF ELECTIONS

PA110313 Managua Radio Sandino in Spanish 1200 GMT 9 Sep 81

[Text] The limited concept of elections, of the electoral processes in which the capitalist system changes president and legislators, is not the concept of self-determination we recognize. This was surpassed by our people who swept away past practices during our armed insurrection. The above statement was made by Commander Carlos Nunez, president of the State Council, when approached by a reporter from LA PRENSA, S.A. concerning an IPU motion which Nicaragua has recognized and approved regarding cases of colonial territories and inhuman forms of domination such as apartheid in South Africa.

The LA PRENSA reporter asked the opinion of the Nicaraguan parliamentary group that will participate in the 68th meeting of the IPU.

According to the motion, the elections are a form of determination of national sovereignty. Referring to this, we wish to alert our companeros to be on the lookout for any attempt at manipulation by the reaction in connection with the type of elections desired by the proimperialist bourgeoisie and the rightist sectors.

Commander Nunez answered more or less in the following terms: There are elections of elections. We think, however, that the process of free elections is not merely to change presidents and legislators, as is the case when they are handled by interests alien to the interests of the people through a machinery that persuades and manipulates. Under revolutionary perspectives, the elections must be the consensus of the self-determination of our sovereignty.

He noted that in efforts to bring about participation in institutional and revolutionary Nicaragua, a great number of parliaments we visited throughout the world were duly informed that the sense of self-determination of Nicaragua responded to a nation whose self-determination was very much its own. Through this, the people are gradually establishing different forms of participation, creating their organizations and choosing their leaders. We would favor elections to the extent this would actually make possible the real and effective participation of the people. That is how we understand the motion, said Commander Nunez.

There is more, however, about those who are trying to manipulate the topic of elections in the past at the present time. We believe that the people's participation must be evidenced daily, based on the people's true will.

He added that the electoral mechanisms should be promoted by organizations which are constantly aware of the people's participation in these elections. We believe, he noted, that an election in Nicaragua, as envisioned by us, would be totally different from a similar process in Guatemala, the president of the State Council concluded.

CUS SAYS CDS 'DEVIATED' FROM ORIGINAL GOALS

PA101600 Managua Radio Corporacion in Spanish 2300 GMT 9 Sep 81

[Text] On the third anniversary of the Sandinist Defense Committees [CDS] today, many groups in this country have questioned--and have been doing so for some time--their activities, pointing out that on many occasions the CDS have deviated from their goals.

The Confederation For Unity of Trade Unions [CUS] said that the CDS have deviated from their original goal: the authentic defense of the revolution and common welfare tasks in the fields of health, education and so forth. Jose Espinosa, the secretary of CUS, pointed out that the CDS, perhaps because of poor leadership, have become involved in revenge, gossip and other negative activities which damage the organization's image. We believe the CDS should be reorganized to act as civil defense committees in which the entire population could participate in tasks that really benefit the people, said the secretary of the CUS.

The CDS will observe their third anniversary. The main event will take place tonight at the Dorado Theater in this capital.

CONSERVATIVE'S 'DIRECT LINE' RESPONSE CRITICIZED

PA050305 Managua Radio Sandino in Spanish 1200 GMT 4 Sep 81

[Text] Last night, the Direct Line program was seemingly broadcast in two languages. The conservatives, represented by lawyer Donald Lacayo Nunez, showed all of Nicaragua last night that they have taken yet another step backward in their process of mummification. From Granada, ironically enough the conservatives' birthplace in the past, Lacayo Nunez was labeled a demagogue. The program was one-sided: The people used the telephone in defense of the revolutionary process and Lacayo Nunez endured a veritable barrage of questions and statements, which made evident the irrational nonreason defended by the representatives of the most backward group in Nicaragua's political spectrum.

Replying to the charge against him from Granada, Lacayo Nunez confirmed his stand when he revealed that the conservatives will again reconsider their participation in the State Council.

Direct Line opened with an international topic on which the representative of the greens, [possible reference to support from U.S. money?] stated openly that the national liberation movement in El Salvador has failed. He defended the Christian Democratic-military junta, which has committed thousands of crimes, including the beheading of dozens of persons whose bodies have not been found.

Without being properly informed, without appealing to the truth, Donald Lacayo Nunez, usually a (?vigorous) man, behaved [word indistinct] at the microphone and in view of the questions from our people, opted to say that the media did not serve all of the people. He said that parties such as his should be given rights.

He even maliciously compared Radio Sandino with the Somozist station that used to operate on the same frequency. He did the same with BARRICADA and NOVEDADES, the dictatorship's daily, and with current television and the television operated by the tyrants of the past.

Unable to convince anyone, the moment came when he placed all of the political parties, including the mummified Conservative Party to which he belongs, in vanguard. He even reached the ridiculous extreme of denying that the FSLN is the people's political and military vanguard, attributing only the position of military vanguard to it.

He attemptedto rescue the traitor Fernando Aguero, counting him among the many fighers listed by history as patriots and, because of his single error of having been involved at one time with the perennial activists, Donald Lacayo Nunez told his life story. Among others, he mentioned (Ali Salomon), one of the air force officers who rebelled against the dictatorship and who is a Sandinist today.

In short, Direct Line last night was an antidialogue, a parallel conversation between the listeners of Radio Sandino and conservative representative Donald Lacayo Nunez.

We will now present one of the questions from last night and the reply of last night's guest on Direct Line.

[Begin recording] This is (Victor Romero) of Bello Horizonte. We would like to ask that man Lacayo the following: It appears that he is slightly confused on the history of the FSLN. It appears that he has not heard that in this country we have just commemorated the 20th anniversary of the FSLN, sole vanguard of the Nicaraguan people.

He speaks of vanguard, but without the existence of that vanguard, victory would not have been possible. I would like him to explain his concept of vanguard. It seems that he must have a very special meaning. Further, what happened to that vanguard when the (?FAO) and the (?UNO) unified but did not gather the people around programmatic action as the FSLN has done since 1969, which permitted the people's unity in overthrowing the dictatorship?

[Lacayo] Thank you, Mr (Victor Romero). That man to whom you refer--I am called Donald Lacayo Nunez. I am not ashamed of myself, my actions, my past actions nor my (?past activities) against the Somoza regime, which I hope [word indistinct] now so that Nicaragua will be [word indistinct] of a true program of national reconstruction, which was what gave it life and which, at the international level, gave credibility to the Government of National Reconstruction.

Just to give a brief preamble, the government program of the national reconstruction junta was applauded by all of Nicaragua's democratic sectors because it basically agreed with their ambitions for effective democracy, justice and liberty. The fact that they have not been implemented is something else. We are struggling for this.

Regarding your question about the other vanguards, the following must be clearly established. There has not been only one vanguard in Nicaragua. We admit that the armed vanguard of the revolutionary process was the FSLN. Nicaragua's armed struggle depended on it. But there were other vanguards, which you know about and in which you might have participated--if not you, perhaps some relative of yours, your mother, your father, some cousin. The civilian political parties were vanguards in the civic struggle against the Somoza dictatorship. The daily LA PRENSA was a vanguard in information, in free expression against the Somoza regime, and even paid the price of the life of its director, our hero and martyr Dr Pedro Joaquin Chamorro. The labor unions were vanguards in their struggle in the factories and places of work. The Catholic Church was the spiritual vanguard of the people, encouraging them toward the goals and paths of liberation. The workers and the peasants were vanguards in their places of work and in the fields of Nicaragua. The students were vanguards in the seizure of schools. Newsmen were vanguards in their heroic deeds, about which you know. They even helped the Bello Horizonte Church with their underground journalism.

Therefore, within the entire context of vanguard, we cannot exclude the determined and definite participation of the Nicaraguan people in the effort to eradicate, once and for all, the Somoza military dictatorship. We have said it on many other occasions and it is true that the FSLN was heroic for 18 years. Nobody is denying this. But neither can anyone deny that in the 18 years the FSLN was in the hills, it could not become strong enough in one morning to shake the very foundations of the Somozist military dictatorship. It was all of these vanguards that I have mentioned that permitted the Nicaraguan revolution's triumph, which is what we are fighting for, what we are sacrificing for--which is exactly why we want it to continue along the paths of democracy and within the channels framed in the fundamental statutes, the nation's laws and international commitments. [end recording]

CORDOVA RIVAS SAYS AGRO-INDUSTRY NATION'S ONLY HOPE

PA092314 Managua Radio Sandino in Spanish 1800 GMT 8 Sep 81

[Text] The Nicaraguan economic situation is the best in Central America, Rafael Cordova Rivas has said. However, we must return to the land and forget about levity and trivial matters, the government junta member added. Agro-industry is Nicaragua's only hope, which is why we must turn to the land; but not to the land described by the Farm Workers Association [ATC], which deserves severe criticism for creating disorders and using methods we do not approve of, Rafael Cordova Rivas said today for El Atabal Sandinista ["Sandinist Drumbeat" newscast].

He said optimistically that the country's economic situation is the best in Central America, though the dissident sectors do not say this. We are better off than Costa Rica and other countries in the area. And we are about to issue a legal package that will allow better control of the country's situation, Cordova Rivas said.

Let's listen to him on economic matters, on which he admits he is not an expert but which he says requires that we work overtime, as the Europeans did after World War II to emerge from their economic crisis.

[Begin Cordova Rivas recording] I am neither an economist nor a rancher, but I do know a little about such things. In my opinion, the Nicaraguan economic situation should be compared to that of Costa Rica, Honduras, and El Salvador. Frankly, Nicaragua is better off economically than any other Central American country.

The fact is that we have to produce more and more, especially through the use of mechanized farming. So let's forget about those little sheet metal factories and other useless processing factories, which increase the number of those being exploited, even by the state itself. We must turn to the farmland. We must remember that we have more than a million inhabitants between the ages of 14 and 16, who will be asking us for jobs in a year or so. Only the farmland, the true farmland, not that described in the demagoguery of the Farm Workers Association, can give us a true answer to our country's economic problems. Labor is where Nicaragua's wealth lies, because labor is also part of a country's wealth, just as are the mines, forests and fish. It is a question of working to produce more, because if we do not work and produce more on our farmlands, no one can ease our present economic situation--which, by the way, is not all that serious. Most Third World countries are suffering shortages and deficits, except those which have found huge oil deposits.

Still, this is why the national government junta has issued a package of laws to try to put this country in order. What we need here is a strong central government that will be obeyed. We have to forget about singing and dancing and face reality; and the only reality is the one that permitted the European and Japanese miracles. With their cultural infrastructure, which we don't have, they worked up to 12 hours a day and overcame the economic crisis they faced after their defeat in World War II. [end recording]

AUTHORITIES DENY CANCELLATION OF AIRLINE'S PERMIT

PA031715 Tegucigalpa Domestic Service in Spanish 1130 GMT 2 Sep 81

[Text] Yesterday the Civil Aeronautics General Directorate denied reports published by some media that the Ministry of Communications and Public Works had cancelled the operation permit of the organization (Alas de la Esperanza).

This nonprofit institute has been operating for some time in the country and uses light aircraft to cover the El Patuca-El Paraiso route on goodwill tours to attend to the needs of the residents of that isolated region.

According to the civil aeronautics officials, (Alas de la Esperanza) has never had a license to operate as a profit-making organization and it has never applied for one, although it does have a temporary permit to operate its aircraft, and the customs general directorate has authorized them to have these aircraft in the country.

In conclusion, they said that this organization is not registered as a business enterprise and that as of this date civil aeronautics has no knowledge any trafficking in weapons by the organization.

GOVERNMENT CHARGES IT IS U.S. GERM WARFARE TARGET

FL091247 Havana Domestic Service in Spanish 1120 GMT 9 Sep 81

[Text of Cuban Government declaration on detection of hemorrhagic conjunctivitis epidemic; published in GRANMA on 9 September--read by announcer]

[Text] A new epidemic has appeared in Cuba: hemorrhagic conjunctivitis. This disease had been reported in Suriname on 20 August in a cablegram of the Pan-American Health office, which added that it had existed there for several months. On 29 August, another cablegram of the Pan-American Health office announced: For your information: Region of the Americas [is] affected for the first time by an outbreak of hemorrhagic conjunctivitis. In addition to Suriname, an unofficial report indicates there is a similar epidemic in Honduras and the northern coast of Colombia.

Cuba is not conducting any type of exchange of personnel with those countries. Nevertheless, now in a very strange manner, the disease also shows up in our fatherland. As indicated by the information received from the Pan-American Health office, it is a case of an epidemic of a disease which had never been detected in this hemisphere. This is taking place in our country less than 4 months after hemorrhagic dengue was detected in an equally strange manner.

On 3 September, the first cases were reported by the city of Havana hospitals, and by 7 September at 2400 hours, in just 5 days, the following had been reported: Havana Province, 101 cases; Havana City Province, 1,322 cases; Matanzas Province, 13 cases; Villa Clara Province, 12 cases; Cienfuegos Province, 293 cases; Sancti Spiritus Province, 6 cases; Camaguey Province, 16 cases; Granma Province, 3 cases; Santiago de Cuba Province, 10 cases; Isle of Youth special municipality, 39 cases; adding up to a total of 1,815 cases.

According to public health authorities, epidemic hemorrhagic conjunctivitis is a disease produced by a virus. It begins with pain or a sensation of a foreign object in the eye. After 1 or 2 days, the clinical picture, which is characterized by inflammation of the eyelids, inflation of the conjunctiva, reddishness and secretion in the eyes, is fully established. Generally, the disease affects both eyes and the degree of reddishness can vary from a small point to areas of greater extent. This clinical picture can be associated with generalized symptoms similar to those produced by disorders of the upper respiratory tract. The disease develops favorably in a period of 1 or 2 weeks. Its treatment is symptomatic. Only humans can transmit the disease by means of infected secretions through direct or indirect contact. The transmission occurs in family and collective groups. The patient can transmit the disease as long as the clinical symptoms and signs exist. Epidemic hemorrhagic conjunctivitis affects persons of any age. The disease cannot be prevented with vaccination. According to public health authorities, the population should not medicate themselves. It is advisable that personal and collective hygiene measures be increased to the extreme and that one go to medical centers when the symptoms appear.

On 1 September, the U.S. daily MIAMI HERALD published a revealing article which, among other things, literally stated: Washington--Fidel Castro's high-sounding charge that the damaging plagues, which destroy crops and animals in Cuba, and the epidemic of the dengue fever, which has caused the death of more than 100 persons on the island, appears to be conceivable to the authors of a new book due to be published this autumn. Former FBI agent William W. Turner and journalist Warren (Heington) report that the United States used germ warfare in Cuba during the Nixon administration. According to them, NIxon's tricks included the introduction of swine fever to destroy Cuba's swine herds and atmospheric modifications to create instantaneous floods to destroy crops. The authors allege that the CIA has committed the United States to a secret, undeclared and illegal war against Cuba over a period of more than 20 years.

The so-called Cuba project is the biggest and least-known being conducted by the CIA outside the legal limits of its bylaws, they affirm. Germ warfare, assassinations and forgeries were elements tested by the CIA with varied degrees of success, according to Turner and (Heington). The Cuba project was a long-range program of clandestine war, unexpected military adventures, sabotages, political and economic subversion, they say. It began in 1959 during the Eisenhower administration and reached its paramilitary level under the Kennedy brothers, slowed down under Lyndon Johnson and was widely reactivated under Richard Nixon. Its vestiges today continue in operation. The history of the Cuba project is the history of an important U.S. war, undeclared by congress, not acknowledged by Washington and not reported by the press.

The strange and unexplainable manner in which the disease was detected in Cuba--in an explosive form, like the dengue epidemic in the republic's capital--together with the factors repeatedly denounced by Cuba and admitted by the Yankee imperialists themselves, confirm our most profound suspicions that the U.S. imperialist government is using germ warfare against our fatherland. Imperialism, in its hatred of Cuba, its outrageous cynicism and its absolute lack of scruples, is capable of starting these activities in another small country in the area--as is the case of Suriname, which recently carried out a revolution--in order to justify its presence [the disease's presence] in the region and later introduce it into Cuba, or take advantage of the accidental presence of epidemics in any country in the area to try to propagate them clandestinely in our country, without hesitating in the face of the risk of infecting the Caribbean with epidemics which could reach the United States itself.

All measures of hygiene and prevention ordered by the public authorities must be adopted. Once more our hospitals, physicians and health personnel, with the selflessness and devotion to duty which characterize them, are facing up to an epidemic which appears to be another possible imperialist aggression against our fatherland. Nothing and no one can frighten our people. We will overcome with dignity the natural adversities and all risks, threats and actions coming from the imperialist enemy.

[Signed] Cuban Revolutionary Government

VERDE OLIVO CRITICIZES U.S. 'RADIO FREE CUBA'

PA091912 Havana International Service in Spanish 1600 GMT 9 Sep 81

[Text] The magazine VERDE OLIVO, organ of the Revolutionary Armed Forces of Cuba, charges in its most recent issue that the plants to create an official anti-Cuban radio station in the United States represent a new U.S. provocation against our country.

The weekly notes that on 1 September, while the governments of the two nations were holding talks in Washington over mutual radio interference, a U.S. State Department spokesman announced that work is being carried out to install a powerful radio station, called Free Cuba, which will be used to harass the Government of Cuba.

Verde Olivo cites this as another chapter in a history that includes 20 years of U.S. economic blockade, threats, and criminal aggression against Cuba, a policy that has been intensified with the arrival in the White House of a team of leaders who brag about promoting points of confrontation throughout the world.

COLOMBIA

BRIEFS

AMBASSADOR'S RESIGNATION--The Colombian Government today accepted the resignation of the ambassador to the Holy See and to the Republic of Malta, Hugo Escobar Sierra. The government announced that beginning 12 September, Ricardo Triana Uribe will be charge d'affaires until a new ambassador takes over. [Bogota Cadena Radial Super in Spanish 2330 GMT 25 Aug 81 PA]

SURINAME

GOVERNMENT OUTLINES NEW SOCIAL REFORM PLANS

FL041920 Bridgetown CANA in English 1649 GMT 4 Sep 81

[Text] Paramaribo, Suriname 4 Sep (CANA)--The Suriname Government says it has completed draft decrees for reducing the age of majority from 21 to 18 years and legalizing the status of children born out of wedlock.

A government statement said that because of the "exceptional nature" of the two proposed measures, it was sending the drafts to relevant organizations for their comments.

If all goes well, the statement said, implementation should be completed by the end of October.

The government said the latest moves were part of the package of social reform measures promised by President Henck Chin A Sen last year.

One of these, it said, had already been instituted--the (?law) giving to women of the right to buy and own land. They are also now able to have their own bank accounts and to enter hire purchase contracts on their own.

The statement quoted President Chin A Sen as saying that the electoral law will be revised and people will be able to vote from the age of 18.

The president is also reported to have said that in addition to legislation of children born out of wedlock, the government intended to regularize the position of women in common-law marriages.

URUGUAY

CP LEADER ARISMENDI SAYS ALVAREZ NOT 'A PUPPET'

PY101822 Paris AFP in Spanish 1328 GMT 8 Sep 81

[Text] Paris, 8 Sep (AFP)--Rodeny Arismendi, secretary general of the Uruguayan Communist Party, today stated that the new Uruguayan president, Gen Gregorio Alvarez "is not a puppet but someone who wields a certain degree of authority and can make certain political compromises."

In an interview granted to L'HUMANITE, the official mouthpiece of the French Communist Party, Arismendi indicated that democratic opposition has gained a certain amount of political elbow room, especially among sectors of the traditional Blanco and Colorado Parties.

At the same time, the Uruguayan Communist Party leader, who sought shelter in the Soviet Union shortly after the July 1973 coup d'etat, indicated that "it is a mistake to believe that nothing has happened and that we are merely witnessing another maneuver or variation of the proposal rejected at the plebiscite." Arismendi was talking about the constitutional referendum held in his country in November last year.

"The regime has been forced to grant limited concessions thanks to the struggle and sacrifice of the working class and other sectors," Arismendi explained. He added that "to say that nothing has happened is to underestimate this achievement."

Arismendi concluded by saying that "the structure of the dictatorship has cracked" but added that "deeds and not words will give us a true idea of what has really changed."

VENEZUELA

FOREIGN MINISTER VIEWS INCIDENTS WITH COLOMBIA

PA100458 Panama City ACAN in Spanish 0245 GMT 9 Sep 81

[Text] Caracas, 8 Sep (EFE)--Acting Foreign Minister Oswaldo Paez Pumar said here today that the Colombian Government cannot be directly blamed for the attack carried out Sunday against the Venezuelan Consulate in Bogota.

Commenting on the Colombian authorities, Paez Pumar indicated that "they are just as interested as we are in protecting the embassies." He added that he has received no additional information and that the Colombian Government is currently investigating the incident.

Regarding a border incident between Venezuela and Colombia that allegedly occurred yesterday near Inirida port, he said that he had neard nothing about it. "We think it is merely a repetition of the news," he added.

An incident occurred Thursday between the two countries' National Guard units. Paez Pumar indicated that "there has been talk about several alleged members of the Judicial Technical Police, who were wearing their uniforms. Everybody knows that the members of this organization do not wear uniforms. That is also a repetition of the news."

NEW JUSTICE MINISTER CHALBAUD ASSUMES DUTIES

PA100455 Buenos Aires LATIN in Spanish 2149 GMT 9 Sep 81

[Text] Caracas, 9 Sep (LATIN-REUTER)--Former parliamentarian and former Governor Reinaldo Chalbaud today began functioning as justice minister in place of Jose Guillermo Andueza, who resigned 2 months ago.

Chalbaud was sworn in last night before President Luis Herrera Campins during a ceremony held at Government Palace.

Andueza resigned in June, alleging that his salary as minister was not enough to support him.